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U.S. Department of Labor

Employment and Training Administration 200 Constitution Avenue, N.W. Washington, D.C. 20210



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MEMORANDUM FOR:

ALL FEDERAL AGENCY ASSISTANT SECRETARIES FOR

ADMINISTRATION AND MANAGEMENT

FROM:

CAROLYN M. GOLDING (CL)

Director

Unemployment Insurance Service

SUBJECT:

Unemployment Compensation for Federal

Employees - Back-Pay Award

This is to inform you of a modification, Comptroller General (CG) decision B-220734, copy attached, to existing operating procedures under the Unemployment Compensation for Federal Employees (UCFE) program, concerning a back-pay award.

The UCFE Instructions for Federal Agencies, page 60, Section 370.2, state that the Comptroller General has ruled that the amount of any UCFE benefits paid during the period covered by a back-pay award should not be deducted from the award by the Federal agency. Recovery of UCFE overpayments is a matter for the paying State to consider under its law; CG B-125137 and reaffirmed by CG B-208097, copy attached.

The modification to this position states:

"The Comptroller General holds that unemployment benefits must be deducted from back-pay awards where the appropriate State agency has determined that an overpayment has occurred and has notified the employing Federal agency and where State law requires the employer, rather than the employee, to refund overpayments. Absent such a determination and requirement under State law, the CG rule B208097 applies and unemployment compensation should not be deducted from back-pay awards."

Whenever a back-pay award is made, it still remains the responsibility of the Federal agency to notify the appropriate State agency, in writing, of the amount of the back-pay award



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and the period of time covered by the award. (See pages 59 and 60, Section 370 in the UCFE Instructions for Federal agencies and also refer to page 52, Section 345.) The State agencies have also been advised of this modification and the appropriate action that must be taken.

It is requested that you advise all staff members having any responsibility for the UCFE process of this memorandum.

If you have any questions concerning this memorandum or any other questions relating to the UCFE program, please contact Millie Enten on (202) 535-0312.

Attachments

